

DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT

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LIHEAP Service Providers Committee Meeting
Wednesday, April 19, 2006
700 North 10th Street
Sacramento, CA

Roll Call:

Merced County Community Action Agency
Department of Community Action, County of Riverside
Pacific Asian Consortium in Employment
Community Action Agency of San Mateo County, Inc.
Northern California Indian Development Council, Inc.
Community Action Agency of Butte County, Inc.
Economic Opportunity Council of San Francisco, Inc.
Contra Costa County Community Services Department
Community Enhancement Services
Economic and Social Opportunities, Inc.
Community Action Partnership of San Bernardino County
Central Valley Opportunity Center
San Diego Gas & Electric
Economic Opportunity of San Francisco
Community Action Commission of Santa Barbara County, Inc.
Community Services Development Department
Metropolitan Area Advisory Committee
Pacific Gas & Electric Company
Self-Help Home Improvement Project, Inc.
Community Action Commission of Santa Barbara County, Inc.
Project Go, Inc.
Central Coast Energy Services, Inc.
North Coast Energy Services
Community Action Agency of San Mateo County, Inc.
Kings Community Action Organization, Inc.
Community Action Partnership of Kern County
Southern California Forum
Veterans in Community Service, Inc.
Community Resources Project, Inc.
Great Northern Corporation
Redwood Community Action Agency
Fresno County Economic Opportunities Commission
Maravilla Foundation
Economic Opportunity Commission of San Luis Obispo, Inc.
Community Action Partnership of Orange County
Colusa-Glenn-Trinity Community Action Agency

Approval of Minutes:

Louise Perez made a motion to approve the minutes of the February 9, 2006 LIHEAP meeting. Bill Parker seconded the motion. It was carried unanimously.

Election of Chair and Vice Chair:

Val Martinez made a motion to nominate Dennis Osmer for Chair and Ed O'Campo as Vice Chair of the LIHEAP Providers Committee. Bill Warren seconded the motion and the nominations were approved or carried by vote via acclamation.

Director's Report: Wendy Wohl, (Acting) Director

Wendy Wohl reported that the President's proposed 2007 budget reduced LIHEAP funding by about 10% (net of approximately \$ 8.9 million for California) and reduced DOE WX by about 37% (net of \$ 2.6 million for California). She also announced that CSD will be applying for another LEAD grant and if approved, funding would be available in January, 2007. Wendy distributed a list of key members of Congress showing the policy and budget committee members which will hear the LIHEAP and DOE budgets.

Resolution in Support of SB 1816:

This directs the CPUC to create a gas furnace replacement program for low income customers which would replace 50,000 old gas furnaces annually for six and half years. The Chair presented a resolution in support of this bill. Val Martinez made a motion to support the bill and Ernie Florez seconded the motion. The motion carried.

Resolution in Support of AB 2104:

This requires the CPUC to improve the California Alternate Rates for Energy program (CARE) application process for tenants who receive electric or gas service from a master-meter customer through a sub-metered system. The Chair presented a resolution in support of this bill. Louise Perez made a motion to support the bill and Lalo Acevedo seconded the motion. The motion carried.

Resolution in Support of AB 2567:

This bill requires that the CPUC establish eligibility for the CARE program at 250% of the federal poverty guidelines. The Chair, Val Martinez made a motion to support the bill and Jennifer Durbin seconded the motion. The motion carried.

LIHEAP Contract Amendment:

Wendy Wohl explained that the plans related to administrative support for the new \$63 million have shifted several times based on Federal Guidance and State Department of Finance review. The current plan is to allow providers 5% for administration (3% regular admin and 2% for weatherization automation). The state had originally planned to use only 3% for admin; however, the Department of Finance is increasing that to 5% to cover current and past statewide prorata which had previously been waived. Draft spreadsheets showing the new agency allocations were distributed and reviewed. Final spreadsheets will be included with the contracts.

The following provider concerns with the new money were addressed by Wendy:

- The state is confident that it will be in compliance with federal guidance on allocation of 10% of the funding for administration.
- The state will allow, on an exception basis, increasing intake up to 7%. The provider will have to provide justification to Jason Wimbley.
- The state understands that it is very difficult to administer the LIHEAP program with 5% administration funding and that many providers "make the best of a bad situation." If agencies can demonstrate actual admin costs for the new money will exceed 3%, contact Jason Wimbley for approval to expend the entire 5% on general admin.
- The state will be checking all contract spreadsheets related to this new allocation, very closely before sending out contracts and will make every effort to make the spreadsheets clear and understandable.
- The three factor formula was used to distribute the entire new allocation.

DOE Contract:

As part of the automation effort, the department is re-evaluating DOE program policies and procedures to compliment the design of the new automated system and reporting. Thus far, the automation team has held several discussions on future changes to the program, including:

Program Year Term Modification –DOE offers two program year terms to grantees: 1) April 1st – March 31st and 2) July 1st – June 30th. Based on input received from agencies members of the Energy Automation Task Force, the department has opted to adopt the new program year term of July 1st – April 30th, effective with the 2007 DOE Contract.

Reimbursement Policies – Both the network and department recognize the tremendous benefits with the concept of adopting consistent reporting and reimbursement policies/practices between DOE and LIHEAP. As a result, the department has opted to adopt the LIHEAP Labor Rate reimbursement model and reporting format for DOE, effective with the 2007 DOE Contract. During the interim, CSD will allow agencies to use the LIHEAP Labor Rate for reporting and reimbursement purposes during the current program year. However, use of the labor rate maybe somewhat limited due to the fact that the department has no intention to modify the reporting format during the current year. The department will issue a memo to the network, acknowledging the approval for using the LIHEAP Labor Rate for the current DOE program year, and interim policies guiding the usage of this method of reimbursement/reporting.

LIHEAP ECIP Local Plans

Based on feedback received from the network, the department plans to modify the ECIP Local Planning process to afford service providers the opportunity to re-evaluate the allocation and use of funds for the aggregate total of 2006 LIHEAP funding from all sources. The modifications will include a revised funding spreadsheet and separate plans specific to the various funding comprising the 2006 LIHEAP Funding, including: 2006 LIHEAP Main Grant + Additional Funding, ECF Funding, and Leveraging. The funding plans will allow agencies to budget and allocate funding sources separately. Agencies will be required to complete the new plans and submit by May 1st; however, due to encountered delays with finalizing the new plan format, the due date was subsequently modified to Wednesday, May 17th.

The department expanded the allowable use for leveraging to include intake, Assurance 16 and Outreach. The new plans will reflect these new additions and agencies will be afforded the opportunity to allocate leveraging funding to these uses. Also, the department will extend flexibility to agencies to allocate without restrictions any amount of leveraging funds to the Weatherization, Utility Assistance, and Crisis Program Components.

Energy Automation: (Target implementation date: Jan 1, 2007)

Ed Lee announced the selection of Kiefer Consulting for the Weatherization & Cash Assistance program. Information Technology's short term goal is to reverse engineer ServTraQ and progress is being made to create user interface and mock application screens. The Data dictionary or all data to be collected during 2007 program year is nearly complete. Ed Lee's group has gone through all of the measures to attempt combining, elimination and how entry should be set up for LIHEAP & DOE program. The Task Force is now focused on program business rules & validation. The next Task Force meeting is scheduled for May 18th & May 19th. Train the Trainer will be the practice used to handle the train future on-line users of this new system.

Reports and Announcements from Associations:

ARNCEP – Val mentioned that the DOE weatherization training in Portland was a great success with over 500 attendees.

ACCES – Arlene thanked CSD for attending the ACCES meeting. She said ACCES is a partner in sponsoring SB 1816 and raised concerns about the lack of support the CPUC provides to the Low Income Oversight Board. She said ACCES is recommending extending the utility winter initiatives through June.

Announcements – Dennis read an announcement from Dick McKee from Community Action Marin: "The PUC will be holding their annual public hearings in the next couple of months, TURN (The Utility Reform Network) is a consumer advocate and they are concerned with the rising PG & E rates. TURN would like people to testify at these public hearings."

Suggestions for topics for the next meeting - Dennis asked for suggestions and the following were received:

- Subcommittee to review LIHEAP/DOE Contract changes
- LIOB support
- Solar funds from CPUC
- CPUC Needs Assessment
- F/U letters of support for the bills discussed above – partner with CPUC to provide the work.

Meeting adjourned at 4pm